

CLASSIFICATION

S-E-C-R-E-T

CENTRAL INTELLIGENCE AGENCY

REPORT

## INFORMATION REPORT

CD NO.

COUNTRY East Germany

DATE DISTR. 17 March 1955

SUBJECT Criticism of the Ministry for Heavy Industry  
by the Central Committee of the SED

NO. OF PAGES 2

PLACE  
ACQUIREDNO. OF ENCLS.  
(LISTED BELOW)

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Heavy Industry in the latter part of December 1954 for inadequacies in the  
functioning of its Main Administration for the Steel Industry.

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2. The Party focused its criticism on circumstances surrounding the ore  
extractor unit (Rennanlage) in the Maxhuetten plant and the magnetic  
grading processor in the Manganerzbergbau Schmalkalden. Considerable funds  
had allegedly been invested in the construction of both installations -  
the only ones of their kind in East Germany - so that domestic ores could  
be processed. However, the Central Committee's Raw Material Section felt,  
after visiting the plants, that the Main Administration was not attacking  
all difficulties with sufficient energy. As one example,  
[redacted] (fnu) was cited as one of those in the Main Administration  
[redacted] the work of the designer and supervisor of the ore extracting  
[redacted] - Iking (fnu).

3. The Maxhuetten installation thus far is producing only 40-50 tons of  
blooms (Luppen) daily. At present, masonry in the revolving furnace must  
be replaced every four weeks. Plans to use chromium magnesite brick from  
the Aken plant or from Czechoslovakia for the masonry in the smelting area  
would necessitate trying to obtain the services of an experienced Czecho-  
slovak technician or having the installation studied by the competent  
technicians in Czechoslovakia. The Ministry was advised to check into  
these possibilities.

4. The Schmalkalden installation is operating in only one shift daily  
(with 73 workers employed) and producing 40-50 tons per shift instead of  
the anticipated 125 tons. The magnetic grader (Magnetscheideranlage)  
itself is operating smoothly, but as the SED criticism pointed out, there  
is no roofing over the ore stockpile. Rain and snow acting on the clay-  
mixed ore produces a mixture which jams the vibration crusher (Prellbrecher)  
and thus leads to repeated stoppages of the entire installation. The Party  
demanded the introduction of an adequate method of pre-drying the ore, or  
possibly the connection in series of a jaw crusher (Bartbrecher). *reken*

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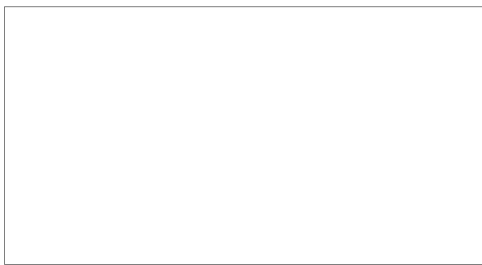
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5. The Central Committee placed the blame for these difficulties chiefly on the lack of coordination within the Main Administration. It was noted that each official there had been handling the problems in his own way and ignoring the Technical Leader who actually had the overall supervision of the project. The conflict of interests allegedly developed out of the numerous personnel changes in the Main Administration.

6. Similar difficulties existed in the Siemens-Martin plant in the use of chromium-magnesite brick - a project for which the Technical Leader had already been given. The Magnesitwerk Aken produces the same grade of brick and such bricks are already being used in the Siemens furnaces for pillars, etc. Still Aken was having difficulties with the sale of the brick in December 1954.

7. The Central Committee asserted that by procuring Soviet SM-furnace could be built immediately as the first experiment with chromium-magnesite brick in East Germany. Minister Frahm was advised to take a controlling hand in setting up the work to clear up the causes for criticism.



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 Comment: Presumably at Maxhuetten.

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1. The Central Committee of the SED reprimanded the East German Ministry for Heavy Industry in the latter part of December 1954 for inadequacies in the functioning of its Main Administration for the Steel Industry.

2. The Party focused its criticism on circumstances surrounding the ore extractor unit (Renmanlage) in the Maxhuetten plant and the magnetic grading processor in the Manganerzbergbau Schmalkalden. Considerable funds had allegedly been invested in the construction of both installations - the only ones of their kind in East Germany - so that domestic ores could be processed. However, the Central Committee's Raw Material Section felt, after visiting the plants, that the Main Administration was not attacking the operational difficulties with sufficient energy. As one example,

Kraemer (fnu) was cited as one of those in the Main Administration obstructing the work of the designer and supervisor of the ore extracting unit at Maxhuetten - Iking (fnu).

3. The Maxhuetten installation thus is producing only 40-50 tons of blooms (Eisen) daily. At present, masonry in the revolving furnace must be replaced every four weeks. Plans to use chromium magnesite brick from the Aken plant or from Czechoslovakia for the masonry in the smelting area would necessitate trying to obtain the services of an experienced Czechoslovak technician or having the installation studied by the competent technicians in Czechoslovakia. The Ministry was advised to check into these possibilities.

4. The Schmalkalden installation is operating in only one shift daily (with 73 workers employed) and producing 40-50 tons per shift instead of the anticipated 125 tons. The magnetic grader (Magnetscheideranlage) itself is operating smoothly, but as the SED criticism pointed out, there is no roofing over the ore stockpile. Rain and snow acting on the clay-mixed ore produces a mixture which jams the vibration crusher (Freilbrecher) and thus leads to repeated stoppages of the entire installation. The Party demanded the introduction of an adequate method of pre-drying the ore, or possibly the connection in series of a jaw crusher (Backenbrecher).

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5. The Central Committee placed the blame for these difficulties chiefly on the lack of coordination within the Main Administration. It was noted that each official there had been handling the problems in his own way and ignoring the Technical Leader who actually had the overall supervision of the project. The conflict of interests allegedly developed out of the numerous personnel changes in the Main Administration.

6. Similar difficulties existed in the Siemens-Martin plant<sup>1</sup> over the use of chromium-magnesite brick - a project for which the research order had already been given. The Magnesitwerk Aken produces the proper grade of brick and such bricks are already being used in the Siemens-Martin furnaces for pillars, etc. Still Aken was having difficulties over the sale of the brick in December 1951.

7. The Central Committee asserted that by procuring Soviet designs, an SM- furnace could be built immediately as the first experimental furnace with chromium-magnesite brick in East Germany. Minister Frits Selbmann was advised to take a controlling hand to speed up the work and remove the causes for criticism.

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Comment: Presumably at Maxhuetten.

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